

# **State of Alaska FY2010 Governor's Operating Budget**

## **Department of Labor and Workforce Development Construction Academy Training Component Budget Summary**

## Component: Construction Academy Training

### Contribution to Department's Mission

The Alaska Construction Academy component contributes to the department's mission by preparing Alaska's youth and under employed adult workers for employment in one of Alaska's high wage, high demand industries as defined by the Alaska Workforce Investment Board.

### Core Services

- The Alaska Construction Academy provides administration, coordination, oversight and accountability to the construction academies operated in partnership with local school districts and industry associations.
- The Alaska Construction Academy component seeks to provide training ready and job ready workers for the Alaska construction industry.

### FY2010 Resources Allocated to Achieve Results

<b>FY2010 Component Budget: \$3,500,000</b>	<b>Personnel:</b>	
	Full time	0
	Part time	0
	<b>Total</b>	<b>0</b>

### Key Component Challenges

The construction industry needs 1,000 new workers every year to keep up with the workforce demands. Alaska graduates approximately 7,500 high school students every year. With the demand by the construction industry, almost 15 percent of every graduating class is needed by the construction industry. Due to the decline in construction related training in the secondary school system the industry no longer has a ready supply of potential workers. The construction academies help the industry ensure that at least some students and adults have the basic skills to enter a registered apprenticeship or entry level training.

Along with the need for new workers the construction academies help overcome industry bias about the caliber and quality of the youth workforce. As an industry sponsored effort industry learns firsthand about the potential of new workers who are enrolled in construction academies.

### Significant Changes in Results to be Delivered in FY2010

With the construction academies functional in six communities with Home Builders Associations the goal for 2010 is to modify the construction academy model to be effective in rural and remote communities that are not represented through industry associations. The Chugach school district is currently piloting a strategy that may be effective for other schools in the future. This pilot involves increasing industry awareness and exposure to industry through a two week long intensive training program at the district's Anchorage House.

Additionally the construction academies will continue to provide training to over 1,000 youth and 400 adults annually.

### Major Component Accomplishments in 2008

Replicating the construction academies in six communities in just three years has resulted in significant increases in youth awareness about the career opportunities in the construction industry. In FY 2008 through an employer outreach program over 40 youth were placed directly into jobs. Another ten employers asked for students but did not

receive them because not enough students had finished training. An employer reports that students are “safer and come to work on time every morning.” So far the Anchorage school district has provided at least one construction trades class to over 1,000 students and increased the number of students participating by over 50 percent from the preceding year.

The Anchorage School district now uses the King Career Center from 6:00AM to 10:00PM Monday through Friday and all day on Saturday. This resource is at capacity providing training to youth in the morning and early afternoons. It is also at capacity providing adult training in the evening and weekends on Plumbing, Carpentry, Welding and Drywall.

Fairbanks in its first year provided training to over sixty adults and placed 50 percent directly into employment. Furthermore over 30 percent of the participants were women. Key partnerships include the Cold Climate Housing Research Center and the Interior Alaska Home Builders Associations.

### **Statutory and Regulatory Authority**

No statutes and regulations.

Contact Information
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Construction Academy Training Component Financial Summary			
<i>All dollars shown in thousands</i>			
	FY2008 Actuals	FY2009 Management Plan	FY2010 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Services	0.0	35.0	105.0
74000 Commodities	0.0	0.0	0.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	0.0	3,465.0	3,395.0
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>0.0</b>	<b>3,500.0</b>	<b>3,500.0</b>
<b>Funding Sources:</b>			
1004 General Fund Receipts	0.0	3,500.0	3,500.0
<b>Funding Totals</b>	<b>0.0</b>	<b>3,500.0</b>	<b>3,500.0</b>

**Summary of Component Budget Changes  
From FY2009 Management Plan to FY2010 Governor**

*All dollars shown in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2009 Management Plan</b>	<b>3,500.0</b>	<b>0.0</b>	<b>0.0</b>	<b>3,500.0</b>
<b>Adjustments which will continue current level of service:</b>				
-Delete One-time General Fund Appropriation for Alaska Construction Academy	-3,500.0	0.0	0.0	-3,500.0
<b>Proposed budget increases:</b>				
-Add General Funds for Alaska Construction Academy Training	3,500.0	0.0	0.0	3,500.0
<b>FY2010 Governor</b>	<b>3,500.0</b>	<b>0.0</b>	<b>0.0</b>	<b>3,500.0</b>